



Port of Skagit

Regular Meeting of the Port Commission
Tuesday, August 12, 2014 – 3:00 PM

MINUTES

PRESENT: Commission - Steve Omdal, Bill Shuler and Kevin Ware

Staff - Patsy Martin, Scott Peterson, Sara Young, Kristin Garcia, Heather Haslip, Brady Rowe, Bob Nord, Carl Molesworth, Sadie Shope, Karmen Hardy and Debbie Hamilton

Others - Legal counsel Brad Furlong. See sign in sheet for others present.

CALL TO ORDER

Steve Omdal called to order the August 12, 2014 regular meeting of the port commission.

Changes or additions to the agenda as follows:

NEW BUSINESS

1. ADMIN: Forest Practices Permit Amendment; Consultant Services Contract – Eldred and Associates (2014) – Approve Contract Increase
2. BBP: Food Processing Facility; 11768 Westar Lane (2014) – Approve Building Improvements
3. MARINA: Float Rehabilitation Project (2014 to Current) – Approve Budget
4. Move; ADMIN: Placemaking (2014) – Update to New Business

CONSENT AGENDA

Public Communications

July 8, 2014 Regular Meeting Minutes

July 18, 2014 Special Meeting Minutes

Fiscal Report

ADMIN: Cash Flow/Budget to Actual Report; Ending June 30, 2014

ADMIN: Marina Occupancy Report; Month Ending July 31, 2014

The commission reviewed the consent agenda items.

COMMISSION ACTION: The commission unanimously approved the August 12, 2014 consent agenda.

OPEN FORUM

Commissioner Omdal opened the floor for public comment.

Hearing none, the floor was closed.

STAFF REPORTS

ADMIN: Audit (2014) – Status Update (Oral)

Kristin Garcia reported that the 2013 audit review is complete. Patsy Martin and Commissioner Steve Omdal attended an exit interview. The auditors had no findings.

ADMIN: Economic Development; Buckwheat Mill Japan Visit (2014) - PowerPoint

Patsy Martin and Commissioner Steve Omdal reported on their recent trip to Japan - July 21-26, 2014 and provided a PowerPoint with photos of the same.

They reviewed next steps as the following:

1. WSU harvest the sample buckwheat grown in Skagit Valley, send it to Mr. Arakawa to be milled.
2. Mr. Arakawa, Sonoko Sakai to determine quality rating.
3. Meet on August 21 with Sonoko Sakai to develop Buckwheat market and culture.
4. Meet Mr. Otness to better determine his interests and see if they mesh with our goals.
5. Develop an outline for a buckwheat mill business plan.

ADMIN: Economic Opportunity Growth Strategy - Update

Sara Young provided a status update of staff's work on the Economic Opportunity Growth Strategy. She reported on:

1. Interagency relationship building to forward Joint Skagit Valley work on economic development
2. Pickle processing plant
3. Possible lease of the Marina Peninsula Building
4. Hexcel expansion project
5. Team project

Discussion

ADMIN: Long Term Plan of Finance (2014)

Kristin Garcia provided a status update of staff's work on the Long Term Plan of Finance. Staff has moved forward on the Long Term Plan Strategies in the following ways:

1. Hired a facilities project administrator
2. Researching use of revenue bonds
3. Budgeting 10% of the 2015 operating revenue budget to meet maintenance needs
4. Real estate department finding opportunities to increase revenues

Discussion

NEW BUSINESS

MARINA: Float Rehabilitation Project (2014 to Current) – Approve Budget

Sara Young reported that following the commission strategic planning session in April, Port staff has been working with our engineering team to analyze the maintenance, repair, and upgrade needs of the La Conner Marina South Basin. The goals of this work are to: (1) develop a scope of work for the 2014 project; (2) gather information needed to make decisions for future projects. The first priority with this work is to address any safety concerns in the basin.

Staff reviewed structural, electrical, roofs, paint and safety findings with the commission.

Staff recommended that the following items be addressed with a repair project in 2014:

1. Repairs to the roof support structure throughout the basin
2. Replacement of worn receptacles throughout the basin

Staff recommended the commission approve a budget in the amount of \$330,000 to complete structural and electrical system repairs to A through D Docks at the La Conner Marina South Basin.

COMMISSION ACTION: Commissioner Bill Shuler moved that the commission approve budget in the amount of \$330,000 to complete structural and electrical system repairs to A through D Docks at the La Conner Marina South Basin. Commissioner Ware seconded. Motion carried unanimously.

ADMIN: Placemaking (2014) - Update

Sara Young reported that following the commission strategic planning session in April, Port staff has been working on placemaking; the collective work done to maintain and improve port facilities, with the goal of creating a distinct sense of place.

She reviewed condition assessments of the La Conner Marina, Skagit Regional Airport, Bayview Business Park buildings.

Staff plans to hold a planning session and tour of the La Conner Marina in the near future with the commission.

No action taken. Discussion only.

STAFF REPORTS

MARINA: Channel Jam (2014) – Event Report (Oral)

Carl Molesworth reported that the La Conner Marina Channel Jam, which took place July 26, 2014, was a success. The event was held in the La Conner Marina Commons area. The concert was held in conjunction with the Port of Skagit's 50th celebration.

MARINA: La Conner Classic Boat & Car Show (2014) – Event Report (Oral)

Carl Molesworth reported that the Annual La Conner Classic Boat & Car show, held on August 9, 2014, at the La Conner Marina was well attended. Staff believes well over 1,500 individuals attended.

NEW BUSINESS

ADMIN: 2015 Budget – Adopt Budget Schedule

Kristin Garcia reported that staff is in the process of developing the 2015 budget and proposed a budget schedule with the goal of approving the 2015 budget at the November 4, 2014 commission meeting.

Discussion.

COMMISSION ACTION: Commissioner Kevin Ware moved that the commission approve the 2015 Budget Schedule. Commissioner Shuler seconded. Motion carried unanimously.

ADMIN: Marina/Airport Security Camera System (2014) – Award Contract

Kristin Garcia reported at the July 8, 2014 commission meeting, the security camera system was tabled from the agenda and staff was asked to research other more cost effective methods of providing security coverage at the marina facility.

Staff discussed their research findings with the commission.

Staff recommends the security camera plan being proposed as it best fits the port's needs and is most cost effective for the service being provided.

COMMISSION ACTION: Commissioner Kevin Ware moved that the commission award the security camera system to Security Solutions NW for the purchase and installation of security cameras in the amount of \$148,107.49 plus sales tax; and direct staff to terminate the marina security contract with Pacific Security effective November 1, 2014; and authorize the executive director and/or designee to take all steps necessary to carry out the intent of the action. Commissioner Shuler seconded. Motion carried unanimously.

ADMIN: Forest Practices Permit Amendment; Consultant Services Contract – Eldred and Associates (2014) – Approve Contract Increase

Heather Haslip reported that in May 2014 the Port contracted with Eldred and Associates to complete an application for a third amendment to the Port's Multi-Year Forest Practices Permit. The permit amendment was necessary to facilitate clearing of Lot 25 for Team Corp and Lot 51 for Hexcel.

The permit amendment required additional coordination with the Department of Natural Resources resulting in a \$1,586.76 increase in Eldred and Associates' fees.

Staff recommended that the commission approve an increase in Eldred and Associates' contract amount from \$2,000 to \$3,586.76 for work performed to amend the Port's Multi-Year Forest Practices Permit.

COMMISSION ACTION: Commissioner Bill Shuler moved that the commission approve an increase in Eldred and Associates' contract amount from \$2,000 to \$3,586.76 for work performed to amend the Port's Multi-Year Forest Practices Permit. Commissioner Ware seconded. Motion carried unanimously.

BBP: Food Processing Facility; 11768 Westar Lane (2014) – Approve Building Improvements

Scott Peterson reported that in September 2013 the port was approached by members of the farming community to assist in finding a long-term solution for agricultural processing in the valley. Over the next several months, staff worked with Gielow Pickles, Inc. to agree to expand their processing footprint into the west coast area.

As a result, the port and Gielow agreed that the port would acquire/provide a building, and all equipment/supplies needed to establish a food processing facility and Gielow will provide the labor

to install all equipment, fixtures, and improvements on the project. The end result will be a publicly owned processing facility with a long-term lease with Gielow Pickles, Inc.

Discussion regarding building and tenant improvements.

COMMISSION ACTION: Commissioner Bill Shuler moved that the commission approve tenant improvements in the amount of \$750,000 for port owned food processing facility located at 11768 Westar Lane. Commissioner Ware seconded. Motion carried unanimously.

GOOD OF THE ORDER

Discussion regarding Northern State project progress.6

EXECUTIVE SESSION

The commission entered into an executive session at 5:18 p.m. The session is expected to last approximately 20 minutes to discuss the evaluation of a public employee.

The executive session ended at 5:38 p.m.

RESUME MEETING

The commission resumed the meeting at 5:39 p.m.

The regular commission meeting ended at 5:40 p.m.

ADJOURNMENT

ADOPTED IN OPEN SESSION this 9th day of September, 2014 and duly authenticated by the signatures affixed hereto.

PORT OF SKAGIT COUNTY

Commissioner

Commissioner

Commissioner